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NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE v.6

PAID UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this	
Miguel Martinez and Wike Eulatio Martinez	
whose addresse is 4929 Harlem Street Fort Worth, Texas 7005 and, DALE PROPERTY SERVICES, L.L.C., 2100 Ross Avenue, Suite 1870 Dallas Texas 75201, as Lessee. All printed portions of this lease were prep	as Lesson
hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee. 1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, lesses and lets exclusively to Les described land, hereinafter called lessed premises:	
ACRES OF LAND, MORE OR LESS, BEING LOT(S) OUT OF THE MADDITION, AN ADDITION TO SUBJECT TO THAT CERTAIN PLAT IN VOLUME 1759, PAGE 243 OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS, ACCORDING TO THAT CERTAIN PLAT IN VOLUME 1759, PAGE 243 OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS, ACCORDS OF TARRANT COUNTY,	7 THE CITY OF
IN VOLUME 1759, PAGE 263 OF THE PLAT RECORDS OF TARRANT COUNTY, TE	EXAS.
in the County of Tarrant, State of TEXAS, containing -/33 gross acres, more or less (including any Interests therein which Lessor may be reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and substances produced in association therewith (including geophysical/selamic operations). The term "gas" as used herein includes helium, carbon d commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small at land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforemental function and account of the land so covered. It is a more complete or accurate description of the land so covered. Of determining the amount of any shul-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or te	non hydrocarbor lloxide and othe rips or parcels o oned cash bonus For the purpose
 This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of <u>Five</u> (<u>5</u>) years from the dates long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewled the otherwise maintained in effect pursuant to the provisions hereof. 	
3. Royallies on cil, gas and other substances produced and paved ligreunder shall be paid by Lessee to Lessor as follows; (a) For cil and other fig separated as Lessor's credit at the oil purchaser's fransportition facilities, provided that Lessee shall have the continuing right to purchase sit the wellhead or to Lessor's credit at the oil purchaser's fransportition facilities, provided that Lessee shall have the continuing right to purchase sit the wellhead market price then prevailing in the same field, then in the nearest field in which providing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substance Lessee shall have the continuing right to purchase such production at the prevailing processing or otherwise marketing such gas or other substance Lessee shall have the continuing right to purchase such production at the prevailing processing or otherwise marketing such gas or other substance the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time more wells on the lessed premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities for the purpose of maintaining this lesse. If for a period of 90 consecutive days such well or wells are shulled to the producing in paying quantities for the purpose of maintaining this lesse. If for a period of 90 consecutive days such well or wells are shulled to more shull-in or producition there from is not being sold by Lessee, then Lessee shall pay shull-in royally of one dollar per acre then covered by this lesse, such payment to be made to said 90-day period and thereafter on or before each anniversary of the end of a while the production of such or a production of such paying	essee's option to uch production a to there is such a royally shall be done in the such a royally shall be done in the such a royally shall be done in the such a such wells shall nevertheless the such wells shall nevertheless or such wells shall nevertheless or such wells shall nevertheless, or if production of the such aid 90-day period nexall not operate to essors, which shall not operate to essore all not opera
leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill explora additional wells except as expressly provided herein. 6. Lessee shall have the right but not the obligation to pool all or any part of the leased premises or interest therein with any other lands or interest depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deem proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands until formed by such pooling for an oil well which is not a horizontal completion shall not exceed 60 acres plus a maximum acreage tolerance of 10%; provided that a larger unit may be formed for an oil well or gas	alory wells or any s, as to any or a is if necessary of or interests. The or a gas well or a
completion to conform to any well spacing or density pattern that may be prescribed or permitted by any governmental authority having jurisdiction to do so, of the foregoing, the terms "oit well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in facilities or equipment; and the term "horizontal completion" means an oil well in which the horizontal component of the gross completion interval in the reservoir excomponent (hereod. In exercising its pooling rights hereunder, Lessee shall file of record a written declaration describing the unit and stating the effective fooduction, drilling or reworking operations anywhere on a unit which includes all or any part of the leased premises shall be treated as if it were production or which Lessor's royalty is calculated shall be that proportion of the lotal unit pro-	For the purposing definition is so of 100,000 cubic activated testing equivalent testing ceeds the vertical design of the pooling fuction, drilling of duction which the
net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit proc Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation if formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing of prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmenting such a rovision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent a leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereundable adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit a written declaration describing the unit and stating the date of termination. Pooling hereunder shall not constitute a cross-conveyance of interests.	lion lo revise an or density patteri intel authority. It any portion of the er shall thereafte

7. If Lessor owns less than the full mineral estate in all or any part of the leased premises, the royalties and shut-in royalties payable hereunder for any well on any part of the leased premises or lands pooled therewith shall be reduced to the proportion that Lesson's interest in such part of the leased premises bears to the full mineral estate in

8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in unnorship shall be binding on Lessee until 60 days after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or until Lessor has satisfied the notification requirements contained in Lessee's usual form of division order. In the event of the death of any person entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to the credit of decedent or decedent's estate in the depository designated above. If all any time two or more persons are entitled to shut-in royalities berounder. Lessee may pay or tender such shut-in royalities to such persons or to their credit in the depository, either jointly or separately in proportion to the interest which each owns. If Lessee transfers its interest hereunder in whole or in part Lessee shall be relieved of all obligations thereafter arising with respect to the transferred interest, and failure of the transferred contact the rights of

Lessee with respect to any interest not so transferred. If Lessee transfers a full or undivided interest in all or any portion of the area covered by this lease, the obligation to pay or tender shul-in royalties hereunder shall be divided between Lessee and the transferree in proportion to the net acceage interest in this lease then held by each.

9. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written release of this lease as to a full or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall thereupon be relieved of all obligations thereafter arising with respect to the interest so released. If Lessee releases all or an undivided interest in less than all of the area covered hereby, Lessee's obligation to pay or tender shull in royalties shall be proportionately reduced

in accordance with the net acreage interest relianced hereunder.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produces. store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph 1 above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or other lands used by Lessee hereunder, without Lessor's consent, and Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands, and to commercial timber and growing crops (hereon. Lessee shall have the right at any time to remove its fixtures, equipment and materials, including well casing, from the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

adurpment and materials, including well casing, from the leased prefitises or such other lands during the term of this lease or within a reasonable time trefetter.

11. Leasee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or other operations are prevented or delayed by such laws, rules, regulations or orders, or by inability to obtain necessary permits, equipment, services, material, water, electricity, fuel, access or easements, or by fire, flood, edverse weather conditions, war, sabotage, rebellion, insurrection, riot, strike or labor disputes, or by inability to obtain a satisfactory market for production or failure of purchasers or carriers to take or transport such production, or by any other cause not reasonably within Lessee's control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof.

control, this lease shall not terminate because of such prevention or delay, and at Lessee's option, the period of such prevention or delay shall be added to the term hereof. Lessee shall not be liable for breach of any express or implied covenants of this lease when drilling, production or other operations are so prevented, delayed or interrupted.

12. In the event that Lessor, during the primary term of this lease, receives a bona fide offer which Lessor is willing to accept from any party offering to purchase from Lessor a lease covering any or all of the substances covered by this lease and covering all or a portion of the land described herein, with the lease becoming effective upon expiration of this lease, Lessor hereby agrees to notify Lessee in writing of said offer immediately, including in the notice the name and address of the offeror, the price offered and all other pertinent terms and conditions of the offer. Lessee, for a period of filteen days after receipt of the notice, shall have the prior and preferred right and option to purchase the lease or part thereof or interest therein, covered by the offer at the price and according to the terms and conditions specified in the offer.

13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and sessor hereby greater and assigns and conveys unless assigns and conveys unless assigns and assigns, a perpetual subsurface well bore

14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessoc, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royally or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend lifte conveyed to Lessee hereunder, and agrees that Lessee's option may pay and discharge any taxes,

mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-n royalties otherwise payable to Lesser berrounder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other premises.

operations

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

LESSOR (WHETHER ONE OR MORE)

huguel A martinez

CTATE OF	Texas	ACKNOWLE	OGMENT	
STATE OF COUNTY OF_ This Instrum by:	Fright formula to the first of		Augest	, 2008,
	2001 2001	170	Matary Public, State o Notary's name (prime Notary's commission	rd):
STATE OFCOUNTY OF .	Tex91 Tex91 Tex91 Tex10 In the second line on the second line of th		Ancels L	. 2008.

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Notary Public, State of Notary's name (printed): Notary's commission expires:

Entalin 2 Mating



DALE RESOURCES LLC 2100 ROSS AVE STE 1870 LB-9

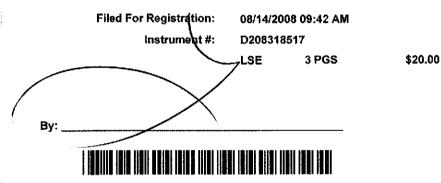
DALLAS

TX 75201

Submitter: DALE RESOURCES LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY WARNING - THIS IS PART OF THE OFFICIAL RECORD.



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